

[illegible]

## **BASIS OF ESTIMATE**

S. 356 would give the district and the bureau the discretion to exchange, or purchase at fair market value, lands relating to the project. Based on information provided by the bureau, CBO estimates that the district would pay a minimum of about \$2 million in fiscal year 2002 for certain lands. That payment would be recorded as an offsetting receipt, a credit against direct spending. Based on information provided by the bureau, CBO estimates that the government would not forgo any income by completing these transactions.

Under the Balanced Budget Act of 1997, proceeds from nonroutine asset sales (sales that are not authorized under current law) may be counted for pay-as-you-go purposes only if the sale would entail no financial cost to the government. Based on information provided by the bureau, CBO estimates that the sale proceeds would exceed the present value of any net receipts currently projected to accrue from these lands; therefore, selling these assets would result in a net savings for pay-as-you-go purposes.

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